

~~SECRET~~

Approved For Release 2002/08/12 : CIA-RDP79R00890A001100100014-9

NSC BRIEFING

28 October 1959

BACKGROUND

SOVIET 1960 BUDGET AND PLAN

- I. Revenues and expenditures in the budget are at a record high. However, the increases--approximately six percent over 1959 plan--are much smaller than the unusually large increases planned for 1959 over 1958.
- II. Explicit defense allocation for 1960--96.1 billion rubles--is same as for 1959 and has remained virtually stable since 1956. However, defense expenditures are concealed in other budget categories and the increase in total expenditures budgeted for 1960 permits continuation of growth of "hidden" military programs.
- III. Outlays for scientific research institutes, planned at 27.3 billion rubles in 1959, are to increase by 15.4 percent in 1960.
- IV. Successful performance of the economy during first year of Seven Year Plan has made possible higher targets for 1960 than originally envisaged.
- V. Gross industrial output, expected to increase approximately 11.5 percent in 1959 compared with goal of 7.7 percent, is projected at 8.1 percent for 1960. Soviet leaders probably expect overfulfillment again in 1960; the average annual rate of increase necessary to fulfill the Seven Year Plan is 8.7 percent.

DOCUMENT NO. 12
NO CHANGE IN CLASS. ID
DECLASSIFIED
CLASS. CHANGED TO: TS S C
NEXT REVIEW DATE:
AUTH: HR 10-2
DATE 12-28-77 REVIEWER:

25X1

Approved For Release 2002/08/12 : CIA-RDP79R00890A001100100014-9

~~SECRET~~

- VI. Seven hour day is expected to be extended to all industrial workers during 1960.
- VII. Housing expenditure is up about 15 percent over 1959 plan level.